

EXHIBIT K

Hearing Date: August 8, 2007 @ 10 a.m. (ET)
Response Deadline: July 27, 2007 @ 12 p.m. (ET)

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as Successor Indenture Trustee for the 7.75% Contingent
Convertible Notes Due 2015 issued by Calpine Corporation

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CALPINE CORPORATION,

Debtors.

Chapter 11

Case No.: 05-60200 (BRL)

Jointly Administered

**MANUFACTURERS & TRADERS TRUST COMPANY'S
(I) RESPONSE TO DEBTORS' LIMITED OBJECTION
TO CONVERTIBLE NOTEHOLDER CLAIM NOS. 2404 AND 6280,
AND (II) JOINDER TO RESPONSE OF THE AD HOC COMMITTEE
OF HOLDERS OF THE 7.75% CONTINGENT CONVERTIBLE
NOTES DUE 2015 TO THE DEBTORS' LIMITED OBJECTION
TO CONVERTIBLE NOTEHOLDER CLAIMS**

TO THE HONORABLE BURTON R. LIFLAND,
UNITED STATES BANKRUPTCY JUDGE:

Manufacturers & Traders Trust Company ("M&T"), in its capacity as successor indenture trustee on behalf of the holders of the 7.75% Contingent Convertible Notes Due 2015 (the "7.75% Contingent Convertible Notes") issued by Calpine Corporation ("Calpine") pursuant to that certain Indenture, dated as of August 10, 2000, between Calpine and Wilmington Trust Company ("WTC"), as trustee (the "Base Indenture"), as supplemented by the Third

Supplemental Indenture, dated as of June 23, 2005 (the "Supplemental Indenture") and together with the Base Indenture, the "Indenture"), hereby (i) responds to the Debtors' Limited Objection to Convertible Noteholder Claim Nos. 2404 and 6280 (the "Objection"), and (ii) joins in the Response of the Ad Hoc Committee of Holders of the 7.75% Contingent Convertible Notes Due 2015 (the "Ad Hoc Committee's Response") to the Objection (this "Response"). In support of this Response, M&T states as follows:

BACKGROUND

1. On August 10, 2000, WTC and Calpine entered into the Indenture, a copy of which is annexed as Exhibit A to the Ad Hoc Committee's Response. On June 23, 2005, Calpine and WTC entered into the Supplemental Indenture, a copy of which is annexed as Exhibit B to the Ad Hoc Committee's Response.
2. On December 20, 2005 (the "Petition Date"), Calpine and certain of its United States direct and indirect affiliates (collectively with Calpine, the "Debtors") commenced voluntary bankruptcy proceedings under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330 (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (this "Court").
3. By order dated April 26, 2006 (the "Bar Date Order"), the Bankruptcy Court fixed August 1, 2006, as the deadline for filing proofs of claim or interests for all claims and interest arising prior to the Petition Date. In accordance with the Bar Date Order, WTC, in its capacity as indenture trustee, filed a proof of claim on account of the 7.75% Contingent Convertible Notes (KCC assigned no. 2404; the "Proof of Claim"). As of the petition date, Calpine was indebted to M&T, for the benefit of the holders of the 7.75% Contingent Convertible Notes, for principal in the amount of \$650,000,000, accrued, but unpaid interest in the amount of \$2,658,680.56, and other unliquidated amounts, all as more fully described in the Proof of Claim.

Thereafter, on April 30, 2007, M&T filed a supplement to the Proof of Claim (KCC assigned no. 6280; the "Supplement") for the purpose of amplifying the description of then unliquidated claims included in the Proof of Claim with respect to each of the 7.75% Contingent Convertible Notes. Copies of the Proof of Claim and the Supplement are attached as Exhibits C and D, respectively, to the Ad Hoc Committee's Response.

4. On July 6, 2007, the Debtors filed the Objection.

RESPONSE AND JOINDER

5. M&T respectfully submits that the Objection should be overruled for the reasons set forth in the Ad Hoc Committee's Response. To that end, M&T hereby joins in the Ad Hoc Committee's Response and incorporates it herein by reference.

WAIVER OF MEMORANDUM OF LAW

6. This Response does not present any novel issues of law. Consequently, M&T respectfully requests that this Court waive the requirement that M&T file a supporting memorandum of law pursuant to Local Bankruptcy Rule 9013-1(b). M&T reserves the right to (1) supplement this Response before the hearing, and (2) file a separate memorandum of law in further support of this Response or in response to any objection to this Response.

CONCLUSION

WHEREFORE, M&T respectfully requests that this Court overrule the Objection for the reasons set forth herein and in the Ad Hoc Committee's Response and grant such other and further relief as this Court deems just and proper.

Dated: July 27, 2007
Wilmington, Delaware

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